

Financial Overview

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Financial Overview

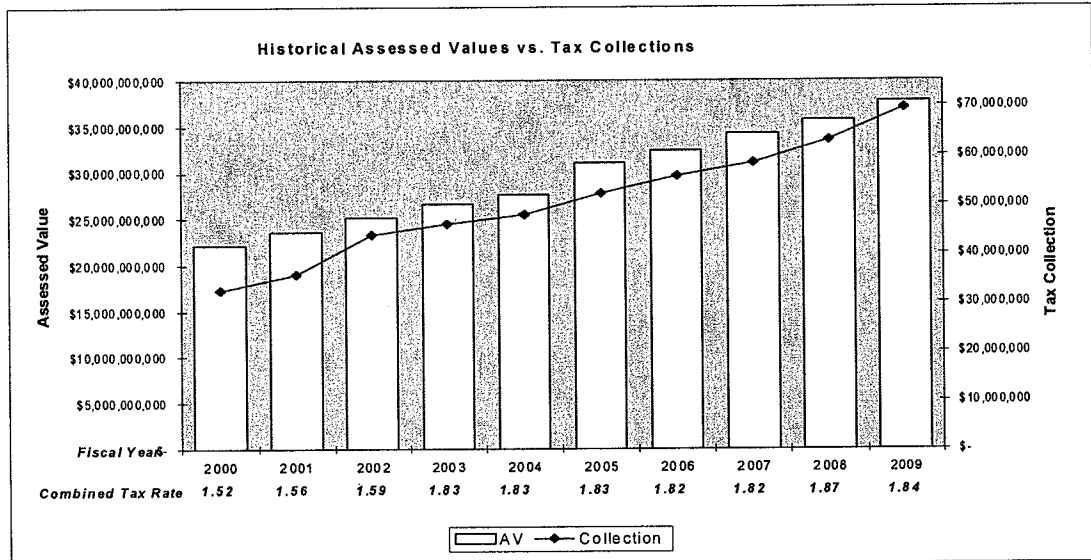
TAX RATES

General Fund – Permanent Rate	General Fund - Local Option Tax Levy	Bonded Debt
Expected Assessed Valuation: \$ 37,733,221,826	Expected Assessed Valuation: \$ 37,733,221,826	Expected Assessed Valuation: \$ 37,733,221,826
General Fund Tax Rate Levied: \$ 1.5252/\$1,000	General Fund Tax Rate Levied: \$ 0.25/\$1,000	Est. Bonded Debt Tax Rate: \$ 0.0697/\$1,000
Estimated General Fund Total Levy: \$ 57,550,710	Estimated General Fund Total Levy: \$ 9,433,305	Bonded Debt Total Levy: \$ 2,630,647
Expected Collection Rate: 94.0%	Expected Collection Rate: 94.0%	Expected Collection Rate: 94.0%
Expected Collections: \$ 54,097,667	Expected Collections: \$ 8,867,307	Expected Collections: \$ 2,472,808

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy
2007	\$ 62,860,513	\$ 59,799,046	95.13 %	\$ 1,176,222	\$ 60,975,268	97.00 %
2006	59,783,920	56,844,054	95.08	1,339,636	58,183,690	97.32
2005	56,843,613	53,918,038	94.85	1,438,746	55,356,784	97.38
2004	50,483,968	47,697,565	94.48	1,225,232	48,922,797	96.91
2003	48,507,471	45,798,106	94.41	1,292,291	47,090,397	97.08
2002	46,251,187	43,682,532	94.45	1,060,463	44,742,996	96.74
2001	37,636,823	35,530,538	94.40	1,030,065	36,560,603	97.14
2000	34,545,771	32,402,208	93.80	1,007,526	33,409,734	96.71
1999	31,717,895	29,844,244	94.09	898,003	30,742,247	96.92
1998	30,441,705	28,890,186	94.90	896,869	29,787,055	97.85

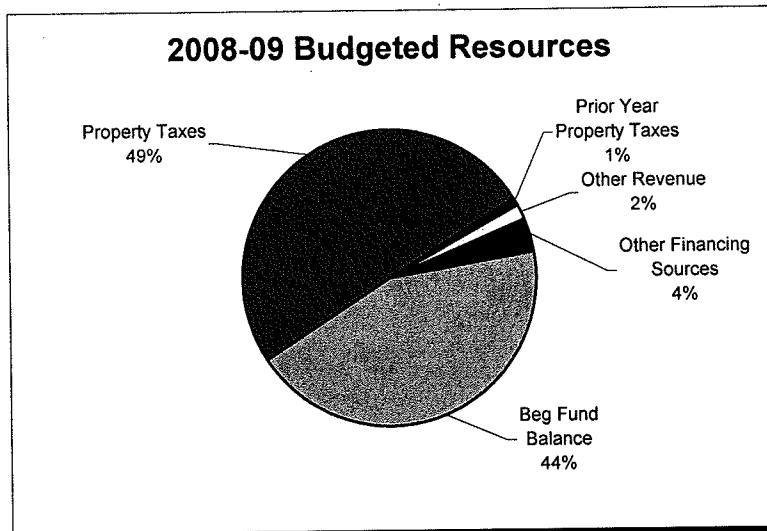
ASSESSED VALUES VS. TAX COLLECTIONS



Financial Overview, continued

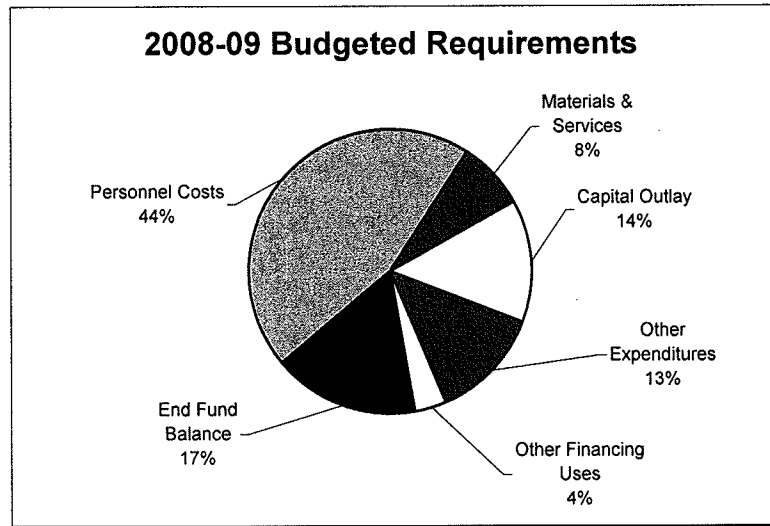
2008-09 BUDGETED RESOURCES

Resources	Beginning Fund Balance	Property Taxes	Prior Years Property Taxes	Other Revenue	Other Financing Sources	2008-09 Budget
Major Funds						
General	\$26,381,700	\$62,964,974	\$1,011,507	\$1,847,034		\$92,205,215
Capital Projects	14,616,430			118,300		14,734,730
Non Major Funds						
Apparatus	598,500			17,178	\$500,000	1,115,678
Capital Improvements	5,396,867			125,000	2,582,500	8,104,367
Emergency Management					52,738	52,738
Grants				25,200		25,200
Bonded Debt Service	1,155,729	2,472,808	34,178	26,110		3,688,825
Insurance	698,520			37,560		736,080
Retiree Medical Ins. Stipend	215,585			6,035	85,800	307,420
Property and Building	5,910,480			170,813	1,350,000	7,431,293
Pension Trust	1,047,060			29,320		1,076,380
Volunteer LOSAP	762,280			21,350	60,000	843,630
Total 2008-09 Budgeted Resources	\$56,783,151	\$65,437,782	\$1,045,685	\$2,423,900	\$4,631,038	\$130,321,556
Total 2007-08 Budgeted Resources	\$50,758,878	\$62,957,480	\$1,136,033	\$3,869,144	\$3,076,582	\$121,798,117
Total 2006-07 Actual Resources	\$33,235,568	\$60,028,627	\$978,569	\$4,416,015	\$22,664,257	\$121,323,036



2008-09 BUDGETED REQUIREMENTS

Requirements	Personnel Costs	Materials and Services	Capital Outlay	Other	Other Financing Uses	Ending Fund Balance	2008-09 Budget
Major Funds							
General	\$57,931,624	\$9,240,612		\$5,873,650	\$4,631,038	\$14,528,291	\$92,205,215
Capital Projects			\$14,110,000	624,730			14,734,730
Non Major Funds							
Apparatus				1,115,678			1,115,678
Capital Improvements			3,762,278	1,415,528		2,926,561	8,104,367
Emergency Management	43,774	8,964					52,738
Grants			25,200				25,200
Bonded Debt Service				3,316,575		372,250	3,688,825
Insurance		736,080					736,080
Retiree Medical Ins. Stipend	152,740					154,680	307,420
Property and Building			230,000	4,261,293		2,940,000	7,431,293
Pension Trust	361,025	5,550				709,805	1,076,380
Volunteer LOSAP	592,870					250,760	843,630
Total 2008-09 Budgeted Requirements	\$59,082,033	\$9,991,206	\$18,127,478	\$16,607,454	\$4,631,038	\$21,882,347	\$130,321,556
Total 2007-08 Budgeted Requirements	\$55,648,283	\$9,290,514	\$16,249,433	\$13,487,433	\$6,383,474	\$20,739,209	\$121,798,346
Total 2006-07 Actual Requirements	\$49,710,433	\$7,030,644	\$3,026,118	\$1,450,200	\$2,664,257	\$57,441,384	\$121,323,036



Financial Overview, continued

2008-09 FUND BALANCE BUDGETED

Resources	Beginning Fund Balance	Ending Fund Balance	Change in Fund Balance	Percent Change in Fund Balance
Major Funds				
General	\$26,381,700	\$14,528,291	\$(11,843,409)	-44.9%
Capital Projects	14,616,430	0	(14,616,430)	-100.0%
Non Major Funds				
Apparatus	598,500	0	(598,500)	-100.0%
Capital Improvements	5,396,867	2,926,561	(2,470,306)	-45.8%
Emergency Management	0	0	0	0
Grants	0	0	0	0
Bonded Debt Service	1,155,729	372,250	(783,479)	-67.8%
Insurance	698,520	0	(698,520)	-100.0%
Retiree Medical Ins. Stipend	215,585	154,680	(60,905)	-28.3%
Property and Building	5,910,480	2,940,000	(2,970,480)	-50.3%
Pension Trust	1,047,060	709,805	(337,255)	-32.2%
Volunteer LOSAP	762,280	250,760	(511,520)	-67.1%
Total 2008-09 Budgeted Resources	\$56,783,151	\$21,882,347	\$(34,900,804)	-61.5%

The District budgets for a significant decrease in fund balance, while not expecting the decrease to occur from actual operations. The District budgets for a sizeable contingency that will revert to ending fund balance if not used. This is consistent with TVF&R's emergency preparedness philosophy because ending fund balance is not available for appropriation, but contingency is allowed to be appropriated with Board of Director approval. The District expects to return to fund balance the majority of any contingency budgeted, unless it were to experience a catastrophic, emergency event. Within the General Fund, actual personnel services are expected to be 5-7% less than budgeted, materials and services to be 12-18% under budget, and ending fund balance to increase commensurately with the District's goal of carrying five months of operational costs in ending fund balance. The forecasted result of General Fund operations for 2008-09 and in the future is depicted on page 18. Because of the sale of \$20,000,000 in general obligation bonds in fiscal year 2006-07, the Apparatus Fund and the Property and Building Fund are not expected to be significantly utilized in the next few years except as advance funding in between bond sales that can be reimbursed after the next bond sale. The District has budgeted for contingency in each of these funds, which is expected to be returned to fund balance at the end of fiscal year 2009, such that both funds will have no decrease in fund balance. The Capital Improvements Fund is expected to increase as the District builds reserves for future radio replacements, computer systems, ERP financial software, PC/laptop replacements in 2009-10, and breathing apparatus and other equipment that cannot be funded with general obligation bonds.

The Capital Projects Fund represents the usage of bond proceeds on projects authorized by the voters and is expected to be utilized in full through the next eighteen months. After usage of the first \$20 million of bond proceeds, the District expects to issue additional bonds under the remaining \$57.5 million bond authority granted by the voters in November 2006.

Financial Overview, continued

The Insurance Fund is expected to remain level; however, for purposes of budgeting for a disaster, the fund is appropriated to allow for self insurance needs should such a catastrophic event occur. The Pension Trust Fund and Retiree Medical Stipend Fund are planned to continue to wind down as these *fiduciary funds* meet their obligations. The Volunteer LOSAP fund is appropriated to be able to meet the obligations of cashing out pension benefits, should the District experience higher than normal retirements, which is not expected to occur.

FINANCIAL FORECAST – GENERAL FUND

	2007-08	2008-09	2009-10	2010-11	2011-12
Beginning Fund Balance	\$ 24,700,000	\$ 26,700,000	\$ 26,000,000	\$ 24,300,000	\$ 22,200,000
Property Tax Revenue	61,200,000	64,000,000	67,000,000	70,400,000	73,700,000
Investment and Interest Income	2,100,000	1,300,000	1,500,000	1,900,000	1,700,000
Charges for Services	900,000	900,000	1,000,000	1,100,000	1,200,000
Insurance Refunds	200,000	200,000	200,000	200,000	200,000
Miscellaneous	100,000	100,000	100,000	100,000	100,000
Total Revenues	\$ 89,200,000	\$ 93,200,000	\$ 95,800,000	\$ 98,000,000	\$ 99,100,000
Personnel Costs	\$ 51,800,000	\$ 55,800,000	59,400,000	62,700,000	66,100,000
Materials and Services	7,500,000	8,100,000	8,700,000	9,300,000	9,900,000
Transfers Out	3,200,000	3,400,000	3,600,000	3,800,000	4,000,000
Total Expenditures	62,500,000	67,300,000	71,700,000	75,800,000	80,000,000
Ending Fund Balance	\$ 26,700,000	\$ 25,900,000	\$ 24,100,000	\$ 22,200,000	\$ 19,100,000
Months of Fund Balance	4.0	4.9	4.3	3.8	3.1

The District prepares financial forecasts on an ongoing basis to provide staff and policy makers the most current projected results of economic variables. The District constantly evaluates projected property tax growth rates, property tax levy collection rates, interest rates, and projected labor inflation rates as well as the need for enhanced service levels in both emergency responses and support of emergency operations.

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Message from the Chief Financial Officer

JUNE 24, 2008

Budget Committee Members and Citizens
Tualatin Valley Fire and Rescue
Washington, Clackamas, and Multnomah Counties, Oregon

DEAR BUDGET COMMITTEE MEMBERS AND CITIZENS:

INTRODUCTION

In compliance with the state of Oregon Local Budget Law and District policies as authorized in Section 3 of the Board Policy Manual, the annual budget for Tualatin Valley Fire and Rescue for the fiscal year 2008-09, beginning July 1, 2008, and ending June 30, 2009, is submitted for your approval. As prepared and submitted, the annual budget is intended to serve as:

- A financial plan for the next fiscal year, outlining the forecasted expenditure requirements and the proposed means for financing these requirements.
- An operational plan for the use and deployment of personnel, materials and services, and other resources during the 2008-09 fiscal year.
- An operations guide to program and department goals and objectives.

BUDGETARY ACCOUNTING BASIS

The budgetary and accounting policies contained in the proposed budget conform to generally accepted accounting principles as established by the Governmental Accounting Standards Board. The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate budgetary and accounting entity. Within the annual budget, the District's various funds are grouped into the fund types and account groups indicated below:

- **Governmental funds**, which include the General Fund (a major fund), the *special revenue fund types*; Apparatus Fund, Capital Improvements Fund, Emergency Management Fund, the Grants Fund, the Debt Service Fund, and the *capital projects fund types*; Property and Building Fund and Capital Projects Fund.
- **Proprietary fund**, which includes the internal *service fund type*, the Insurance Fund.
- **Fiduciary funds**, which include *trust and agency funds*, cover the Retiree Medical Insurance Stipend Fund, Pension Trust Fund, and Volunteer LOSAP Fund.

Message from the Chief Financial Officer, continued

As previously noted, the proposed budget is prepared on the generally accepted accounting principles basis, with all governmental funds accounted for using the modified accrual basis of accounting, with revenues being recorded when measurable and available and expenditures being recorded when the goods or services are received. The District's internal service funds and trust and agency funds are maintained on the accrual basis of accounting.

For pension trust funds, the measurement focus is on the determination of net income and capital maintenance. All fund assets and liabilities, current and non-current, are accounted for within the fund.

These models provide the foundation for communication of our overall budgetary goals to department managers. Department managers develop the budget after preparation and identification of key performance objectives for each department and program.

Overall guidance and philosophy are outlined by the Fire Chief and executive staff.

The District prepares a budget for all funds that are subject to the budget requirements of state law, including the legal requirement for a balanced budget, meaning that total beginning fund balance, revenues, and other financing sources are equal to the total of expenditures, other financing uses, contingency, and ending fund balance. The budgeting process includes citizen input through various stages of preparation, public hearings, and approval of the original budget by the Board of Directors.

BUDGET SUMMARY FOR EXPENDITURES

Expenditures	2007-08 Budget	2008-09 Budget	Increase (Decrease)
Personnel Services	\$55,648,283	\$59,082,033	\$3,433,750
Materials and Services	9,290,514	9,991,206	700,692
Capital Outlay	16,249,433	18,127,478	1,878,045
Debt Service	3,306,892	3,316,575	9,683
Operating Transfers Out	3,076,582	4,631,038	1,709,136
Operating Contingency	13,487,204	13,290,879	(196,325)
Ending Fund Balance	20,739,209	21,882,347	988,458
Total Expenditures	\$121,798,117	\$130,321,556	\$8,523,439

The proposed budget requirements for fiscal year 2008-09 for all funds totals \$130,321,556, which is \$8,523,439 higher than the \$121,798,117 in the current year. This relates to increased personnel costs, added positions, increased capital outlay, and increased operating transfers out. Comparative data on individual funds may be obtained by reviewing financial summaries presented within individual funds.

2007-08 SIGNIFICANT CHANGES

PERSONNEL SERVICES

Personnel Services increased 6.2%, reflecting increases in budgeted salary ranges of 2.9% on July 1, 2008, a change in budget practices to budget non-union salary and benefits at top step and family benefits as has been the practice with the union personnel, and lastly, the District has budgeted for a net of seven new positions.

MATERIALS AND SERVICES

Materials and Services increased \$700,692. The General Fund reflects an overall increase of \$690,225. Account 5361, Building Repairs and Maintenance, was increased by \$123,867, reflecting the increase in priority maintenance projects. Other Professional Services account 5414 increased by \$299,502, as we continue to outsource specialized project assistance in the Logistics departments of Information Technology, Communications and Technology, and Logistics Administration, and a contract for Battalion Chief services. Election Expense, account 5574, was increased by \$140,000, to account for both the levy election and board member elections.

CAPITAL OUTLAY

Capital Outlay increased \$1,878,045 or approximately 11.56% to a total of \$18,127,478. The Capital Improvement fund's capital outlay increased \$2,289,595, reflecting radio and telephone system upgrades of \$1,545,673 and additional \$1,506,018 of data processing software and equipment. Capital Outlay in the Capital Projects fund was increased \$956,250, reflecting planned expenditures of the resources of the bond fund. A major capital request in the prior fiscal year for breathing apparatus through the Grant Fund of \$1,500,000 was not rebudgeted in 2008-09. The Capital Projects Fund will fund Station 50, the Walnut Fire station construction, Stations 53, 58, and 59 reconstruction, as well as land purchases for future fire station sites, emergency response apparatus, and other projects.

DEBT SERVICE

Total budgeted debt service expenditures increased \$9,683 in the 2008-09 fiscal year. The debt service is budgeted in the Debt Service Fund for the repayment of the Series 1999, 2000, and the Series 2007 bonds.

TRANSFERS

Transfers are increased by \$1,554,456 to \$4,631,038, reflecting funding transfers to the Apparatus Fund and Property and Building Fund. The Capital Improvements Fund receives \$2,582,500 of transfers from the General Fund.

CONTINGENCIES

Contingencies across all funds are budgeted at \$13,290,879 for 2008-09, down \$196,325 from the prior year. The Property and Building Fund's contingency was increased by \$2,048,793. The Capital Projects Fund budgeted for 2008-09 to utilize the proceeds of a general obligation bond comprises a decrease of \$3,375,570 in budget contingency. The General Fund's contingency remained the same. Under Oregon law, ending fund balance may not be appropriated for use during the year, so the contingency appropriation provides for flexibility in operations should an unexpected major natural disaster occur, a major apparatus fail, or other such event occur that cannot be anticipated. Accordingly, the District budgets contingency at a higher level than anticipated to be utilized.

ENDING FUND BALANCE

The majority of amounts for Ending Fund Balance are related to the General Fund, \$14,528,291; the Capital Improvements Fund, 2,926,561; the Bonded Debt Service Fund, \$372,250; the Property and Building Fund, \$2,940,000; and the Pension Trust Fund, \$709,805. The District seeks a stable General Fund balance and conservatively forecasts the actual ending fund balance to be approximately \$26,000,000, which equates to an estimated five months of operating funds.

DEBT ADMINISTRATION

Debt outstanding consists of 1999 General Obligation Bonds in the remaining amount of \$680,000, and a remaining balance of \$795,000 of Series 2000 General Obligation Bonds. These bonds will be paid in full during the 2008-09 fiscal year. The District sold \$20,000,000 of Series 2007 bonds in April 2007, and there is \$19,000,000 outstanding. These bonds will mature over a 20 year period.

The District's legal debt limit is approximately \$705,000,000. We utilize capital planning in conjunction with financial forecasting to determine what level of capital funding we can continue to make while managing our resources under our legal tax base.

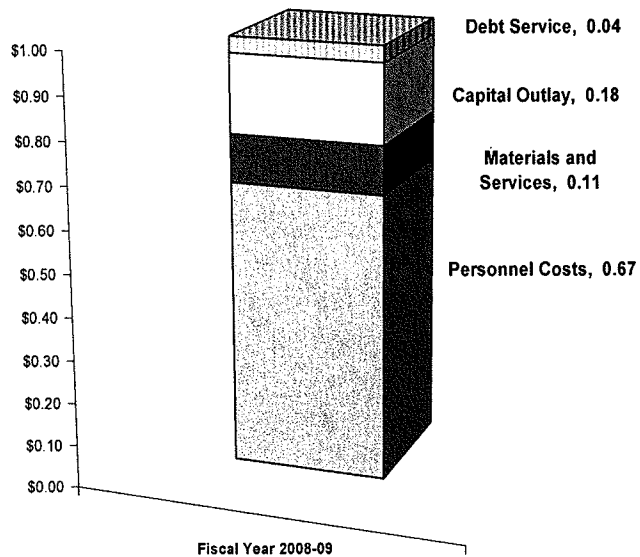
Our largest future variables will be the siting and possible relocation of several stations. Because station siting and relocation planning are dependent upon factors such as road construction by the State Highway Department, other neighboring jurisdictions' station siting, and population and development growth, we are continuing to work extensively on a regional basis to ensure the best service to our citizens. The District has spent considerable staff hours developing and finalizing station location studies, considering neighboring city stations, changing demographics, forecasted population densities, and future traffic and roads. Our goal is to locate stations for the most effective emergency response and allow continued alternative staffing configurations depending on the region's call types and run volumes. The new bond will be funding continued land purchases for new fire stations, the construction of two new fire stations, and the reconstruction and seismic improvements of several older fire stations. These bonds were issued for 20 years with \$1 million dollar principal payments made each year.

BUDGET SUMMARY FOR REVENUES

Total revenues for all funds for the current budget year and the ensuing fiscal year are shown below:

Revenues	2007-08 Budget	2008-09 Budget	Increase (Decrease)
Beginning Fund Balance	\$50,758,878	\$56,783,151	\$6,024,273
Property Tax, Current Year	62,957,480	65,437,782	2,480,302
Property Tax, Prior Year	1,135,618	1,016,230	(119,388)
Other Taxes and Interest on Tax	34,363	57,128	22,765
Interest on Investments	2,010,126	1,697,407	(312,719)
Program Revenue	183,200	137,550	(45,650)
Service Contracts	187,900	287,900	100,000
Regional Hazardous Response	5,500	5,500	0
Accounting Service Revenues	33,460	37,660	4,200
Training Center Revenues	81,560	81,560	0
Rental Income	85,450	83,950	(1,500)
Donations and Grants	1,000,000	25,200	(974,800)
Transfers from Other Funds	3,076,582	4,631,038	1,554,456
Sale of Surplus Property	200,000	0	(200,000)
Other Revenues	48,000	39,500	(8,500)
Total Revenues	\$121,798,117	\$130,321,556	8,523,439

How Your Tax Dollar is Spent



BEGINNING FUND BALANCE

Beginning Fund Balance has increased over 10.61% to \$56,783,151 for all funds. The General Fund's budgeted beginning fund balance was increased by \$4,664,838, reflecting that we had been able to meet our goal of increasing fund balance prior to hiring additional staff. Our General Fund has a targeted goal to provide at least five months of operating funds before we receive our tax collections. The beginning fund balance in the Apparatus Fund increased by \$178,202, as we did not have to utilize this fund as we had sold general obligation bonds. In the Capital Improvements Fund, the beginning fund balance increased by \$2,928,096, as several significant projects budgeted were carried forward. The decrease in beginning fund balance in the Capital Projects Fund reflects the utilization of bond proceeds in the fund from the April 2007 \$20 million bond sale.

LOCAL OPTION LEVY

Our local option levy was renewed at the November 2004 election, and based upon financial planning performed in 2007-08, we believe that we will ask our voters for a third renewal of the levy in 2008, and possibly ask for the first increase in 2012.

PROPERTY TAXES - CURRENT YEAR

General operating property taxes are based upon the District's assigned "permanent tax rate" of \$1.5252, multiplied by the assessed valuation within the District and supplemented by a local option levy. The local option levy was renewed by voters in November 2004, and will be levied annually through 2010, at the approved rate of \$0.25 per \$1,000 of assessed valuation. Under current law, assessed value is generally significantly less than market value and is based upon the relationship of other similar properties as well. For 2006-07, the Washington County Assessor estimated the Average Maximum Assessed Value was 54.3% of Average Real Market Value for residential property¹. For purposes of our budget, we assumed a 4.60% assessed valuation increase for property in our service area based on data from Washington County as well as our own analysis of the high-tech industry and local economy, and the impact on assessed value. A collection rate of 94.0% was assumed. Tax levies for general obligation bonds are exempt from the property tax limitation measures and accordingly, the District levies the total dollar amount necessary for payment of the general obligation bonds.

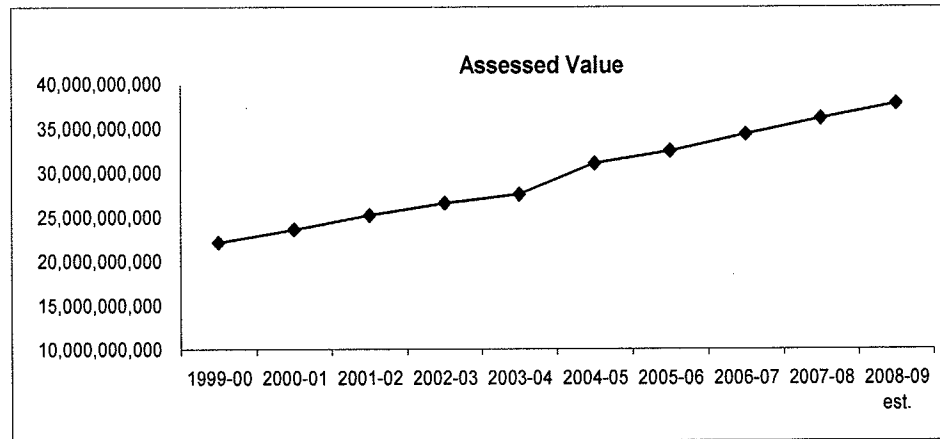
¹ "Projected Assessed Values by Tax District for Fiscal Year 2008-09," May 1, 2008, Department of Assessment and Taxation, Washington County, Oregon.

**How does TVF&R
get their money?**

*Permanent tax rate
of \$1.5252/\$1,000
AV.*

*Voter optional Local
Option Levy of
\$.25/\$1,000 AV.*

*GO Bond
Repayment Levy of
\$.04/\$1,000 AV.*



Taxes levied at \$1.5252 for general operations against an estimated \$37.7 billion in assessed valuation are expected to provide approximately \$54,097,667 in collections. The local option levy of \$.25 per thousand dollars of assessed valuation is expected to provide collections of \$8,867,307. We will also levy \$2,630,647 for our general obligation bonds. This bond levy is expected to result in a levy rate of 7 cents per thousand dollars of assessed valuation and approximately \$2,472,808 in collections.

PROPERTY TAX-PRIOR YEAR

Total taxes outstanding totaled \$1,963,902 at the fiscal year ended June 30, 2007. At the beginning of the previous fiscal year, that amount totaled \$1,755,476. Of the June 30, 2007 amount, \$1,375,455 was for taxes levied during that fiscal year, while \$543,647 was related to prior years' tax levies. Delinquent tax collections are estimated on an average collection rate based upon the forecasted June 30, 2007 receivables.

INTEREST ON INVESTMENTS

Interest on short-term investments has been budgeted to reflect short-term interest rates projected at an estimated 2-3% versus 5% in the prior year. The governmental fund types and capital funds are largely invested in the Oregon Local Government Investment Pool and short-term United States Government Agency securities. Investments are regulated by Board of Director policy, and permitted investment products include the Oregon Local Government Investment Pool, which is a diversified portfolio, commercial paper, bankers' acceptances, and United States Government Treasury and Agency securities, among others. Certain funds are designated for longer term investing by the Board of Directors and may be invested for terms up to 18 months. Oregon law does not allow leveraged investing and the Oregon Local Government Investment Pool does not use derivative securities. The Pension Trust Fund and Volunteer LOSAP Fund are managed as separate trust funds and each has its own investment policy, including the above investments and additional permissible investments in equity investments appropriate for long-term pension funding. Their investments are actuarially expected to earn between 7% and 8% annually by investment policy. However, due to the turbulent equity market, short-term investment projections for 2008 are lower than the actuarial projections.

Message from the Chief Financial Officer, continued

Transfers into and out of pool accounts are made by telephone prior to 11:00 a.m. on a one day ahead basis. This provides a flexible mode for keeping surplus cash invested and is reinforced by a cash management program with our designated banking institution.

SERVICE CONTRACTS

The Occupational Health Services program is scheduled for \$202,000 in contract revenues with other agencies, and the EMS Division is scheduled to receive \$85,900 of contract fees related to ambulance franchise collaborative agreements.

ACCOUNTING SERVICE FEES

Accounting Service Fees reflects changes to external agreements.

PROGRAM REVENUE

These revenues are primarily from apparatus maintenance (\$72,000) and the Occupational Health Services program (\$65,000). Fees are collected from several governmental agencies for providing preventive and corrective maintenance to firefighting apparatus and automobiles. The Occupational Health Services program for District employees also contracts with other governmental agencies to provide occupational health services, which serves to reduce the District's costs of providing these required services to our own employees.

DONATIONS AND GRANTS

The District has been awarded and applied for several grants in 2005, 2006, and 2007, in the areas of public education, communications, and other areas. The District intends to continue to actively pursue grant funding in future years. The 2008 budget reflects our goal of receiving additional funding for communications equipment.

TRANSFERS

A major revenue source for six funds is correspondingly, also a major requirement for another fund. In the Non-Organizational category section in the General Fund, transfers are listed as a requirement. Monies are transferred from this fund to six funds, where they are listed as a resource. These transfers provide operating resources to the Apparatus Fund, Capital Improvements Fund, the Emergency Management Fund, the Retiree Medical Insurance Stipend Fund, the Property and Building Fund, and the Volunteer LOSAP Fund.

TRAINING CENTER REVENUES

Training Center revenues reflect external training for cost shared programs in hazardous materials training.

RENTAL INCOME

Leases for surplus space are reflected in the revenue in rental income, as well as new leases made on our microwave towers to cellular phone companies for tower leases.

MISCELLANEOUS

Revenues include \$21,500 for unspecified revenues. Insurance refunds were not re-budgeted for 2008-09, as a sizeable refund for the rolling three year retrospective evaluation was made during 2007-08, and may not be repeated.


SUMMARY

The proposed budget for fiscal year 2008-09, continues to afford the District a high level of service to our community, while continuing to meet our long-term performance statements. The year 2008-09 promises to be a year of many challenges to the organization, as we manage our many bond projects, add to our firefighting work force, and continue to constantly focus on the most effective emergency response service to our citizens.

Recognition is given to all staff members, division heads, and worksite managers who have effectively devoted their time and energy toward the development of the annual budget. Please be assured that the same degree of effort will be devoted to the effective administration of the 2008-09 budget.

Sincerely,

Tualatin Valley Fire and Rescue



Debra L. Guzman, CPA
Budget Officer and Chief Financial Officer

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Resolution to Adopt Budget

RESOLUTION 2008-03

RESOLUTION OF TUALATIN VALLEY FIRE AND RESCUE, A RURAL FIRE PROTECTION DISTRICT TO ADOPT 2008-2009 BUDGET AND AUTHORIZE APPROPRIATIONS

WHEREAS, the Tualatin Valley Fire and Rescue, A Rural Fire Protection District, (“District”) budget for the fiscal year beginning July 1, 2008 and ending June 30, 2009, was approved by the District budget committee on May 22, 2008, and

WHEREAS, each fund’s expenditures were approved by the Budget Committee as depicted in the legally received budget document, but the total motion to approve expenditures in the budget was inadvertently overstated by \$154,680 due to a misclassification of an ending fund balance as an appropriation item, and the correct total of expenditures approved by the Budget Committee should be \$106,713,209, and

WHEREAS, a hybrid fleet vehicle ordered has been delayed by the factory until 2009 fiscal year receipt and the \$26,000 vehicle budgeted in the Capital Improvements fund in the 2007-08 budget needs to be rebudgeted in 2008-09 when it will be received, and

WHEREAS, six Pierce pumpers ordered and expected to be received late May, 2008 will now not be received until fiscal year 2008-09 due to factory issues, and \$1,700,000 remains outstanding on the purchase order from the Capital Projects fund,

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of Tualatin Valley Fire and Rescue hereby adopts the budget as approved by the Budget Committee with the corrected total appropriations.

NOW THEREFORE BE IT ALSO RESOLVED, the Board of Directors of Tualatin Valley Fire and Rescue hereby adopts total appropriations for the 2008-2009 fiscal year in the amount of \$108,439,209, and which is now on file in the Administration Office at 20665 Southwest Blanton Street, Aloha, Oregon.

BE IT ALSO RESOLVED, that the amounts for the fiscal year beginning July 1, 2008, for the purposes shown are hereby appropriated as follows:

GENERAL FUND

By Fund

Personnel Services	\$57,931,624
Materials and Services	9,240,612
Transfers	4,631,038
Contingency	<u>5,873,650</u>
Total	\$77,676,924

Financial Overview, continued

By Function

Administration Division	
Personnel Services	\$ 4,060,655
Materials and Services	<u>1,769,650</u>
Total	\$ 5,830,305
District Non-Organizational	
Materials and Services	\$ 9,100
Transfers	4,631,038
Contingency	<u>5,873,650</u>
Total	\$10,513,788
Emergency Operations Division	
Personnel Services	\$45,218,945
Materials and Services	<u>2,589,502</u>
Total	\$47,808,447
Community Services Division	
Personnel Services	\$ 904,806
Materials and Services	<u>281,715</u>
Total	\$ 1,186,521
Fire Prevention Division	
Personnel Services	\$ 3,015,397
Materials and Services	<u>284,736</u>
Total	\$ 3,300,133
Logistics Division	
Personnel Services	\$ 4,731,821
Materials and Services	<u>4,305,909</u>
Total	\$ 9,037,730

Financial Overview, continued

BONDED DEBT SERVICE FUND

Debt Service - Principal	\$ 2,475,000
Debt Service - Interest	<u>841,575</u>
Total	\$ 3,316,575

APPARATUS FUND

Contingency	\$ <u>1,115,678</u>
Total	\$ 1,115,678

CAPITAL IMPROVEMENTS FUND

Capital Outlay	\$ 3,762,278
Contingency	<u>1,415,528</u>
Total	\$ 5,177,806

EMERGENCY MANAGEMENT FUND

Personnel Services	\$ 43,774
Materials and Services	<u>8,964</u>
Total	\$ 52,738

GRANTS FUND

Capital Outlay	\$ <u>25,200</u>
Total	\$ 25,200

INSURANCE FUND

Materials and Services	\$ <u>736,080</u>
Total	\$ 736,080

RETIREE MEDICAL INSURANCE STIPEND FUND

Personnel Services	\$ <u>152,740</u>
Total	\$ 152,740

Financial Overview, continued

CAPITAL PROJECTS FUND

Capital Outlay	\$ 14,110,000
Contingency	<u>624,730</u>
Total	\$ 14,734,730

PROPERTY AND BUILDING FUND

Capital Outlay	\$ 230,000
Contingency	<u>4,261,293</u>
Total	\$ 4,491,293

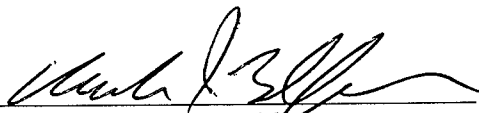
PENSION TRUST FUND


Personnel Services	\$ 361,025
Materials and Services	<u>5,550</u>
Total	\$ 366,575

VOLUNTEER LOSAP FUND

Personnel Services	\$ <u>592,870</u>
Total	\$ 592,870

APPROVED AND ADOPTED, on June 24, 2008


Clark I. Balfour, President

ATTEST: 
Carol A. Gearin, Secretary-Treasurer

Resolution to Levy Taxes

RESOLUTION 2008-04

**RESOLUTION OF TUALATIN VALLEY FIRE AND RESCUE,
A RURAL FIRE PROTECTION DISTRICT
TO LEVY AND CATEGORIZE TAXES**

BE IT RESOLVED, that the Board of Directors of Tualatin Valley Fire & Rescue, a Rural Fire Protection District, hereby levies the taxes provided for in the adopted budget in the rate of \$1.7752 per \$1,000 of assessed value for operations (comprised of \$1.5252 permanent rate and \$.25 local option tax rate) and \$2,630,647 for bonds, and that these taxes are hereby imposed and categorized for tax year 2008-09, upon the assessed value of all taxable property with the District.

Subject to the General Government Limitation:


General Fund Levy:	\$1.5252/\$1,000
Local Option Tax Levy:	\$.25/\$1,000

Excluded from the General Government Limitation:


Debt Service Fund Levy	\$ 2,630,647
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NOW THEREFORE BE IT RESOLVED, that the Budget Officer certify the County Clerk or other recording officer, County Assessor or other assessing officer, of Washington, Clackamas, and Multnomah Counties, Oregon, and the Department of Revenue of the State of Oregon, the tax levy created by the resolution and shall file with them a copy of the adopted budget.

APPROVED AND ADOPTED, on June 24, 2008


Clark I. Balfour, President

ATTEST:


Carol A. Gearin, Secretary-Treasurer

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